## Pacific NW agencies and partners announce recommendations for regional water quality trading

Pilot projects in Oregon, Idaho and Washington to begin in 2014

Water quality agency staff from Idaho, Oregon, and Washington, <u>U.S. EPA Region 10</u>, <u>Willamette Partnership</u>, and <u>The Freshwater Trust</u> released draft recommendations on approaches to water quality trading in the Pacific Northwest. The recommendations are based on the group's evaluation of policies, practices, and programs across the country, which helped to identify some common principles and practices to guide consistent approaches to water quality trading in the region. Willamette Partnership and The Freshwater Trust facilitated the group through a US Department of Agriculture Conservation Innovation Grant.

Water quality trading is a market-based approach to achieving water quality goals for pollutants such as nitrogen, phosphorus, and temperature. Through trading, some permitted emitters with high costs of reducing pollution are able to negotiate equal or greater pollution reductions from sources with lower cost. This effort focused specifically around trading between non-point and point sources.

Launched in March 2013, this effort came in response to the growing interest in trading in the region as well as the wide diversity of proposed approaches. The participants wanted to ensure that water quality trading programs have the quality, credibility, and transparency necessary to be consistent with the Clean Water Act (CWA) and state water quality laws. To do this, the workgroup identified the critical components of water quality trading programs and recommended a number of approaches to address these components. These recommended approaches are intended to increase the confidence of participants and observers that trades will produce their intended water quality benefits and will result in compliance with state and federal law.

Establishing a credible water quality trading program is not simple and trading may not be appropriate for many water quality problems. However, when designed well and combined with other tools, the participating states believe that trading programs can help achieve water quality goals in a way that is consistent with the CWA, avoids localized water quality problems, is based in sound science, provides sufficient accountability that water quality benefits are being delivered, and is beneficial for the environment, landowners, and communities.

Today, the group is releasing the the draft recommendations document, "Regional Recommendations on Water Quality Trading," with an accompanying Joint Statement of support from the states and letter of support from US EPA Region 10, which are the result of its work.

Beginning in 2014, the participating states have committed to testing their recommendations and are currently working to identify pilot projects. The states and EPA will then reconvene to discuss their pilot experiences and, if needed, refine the guiding principles and draft recommendations for water quality trading by the fall of 2015. Since the documents produced from this process are not guidance or policy, the respective state participants that choose to develop trading guidance or rules in the future will do so according to their individual state processes.

To review all documents and meeting summaries generated through this process, please click here

For questions or comments, please contact:

Idaho Department of Environmental Quality – Marti Bridges (marti.bridges@deq.idaho.gov)
Oregon Department of Environmental Quality – Ranei Nomura (nomura.ranei@deq.state.or.us)
Washington Department of Ecology – Helen Bresler (hbre461@ecy.wa.gov)
Willamette Partnership – Carrie Sanneman (carrie.sanneman@willamettepartnership.org)
The Freshwater Trust – Joe Furia (furia@thefreshwatertrust.org)